

SENATOR ISADORE HALL, III
35TH SENATE DISTRICT
STATE CAPITOL, ROOM 4085 ★ SACRAMENTO, CA 95814
WWW.SENATE.CA.GOV/HALL

**SB 1426 (Hall) Alcoholic Beverage Spokespersons
FACT SHEET**

Sponsor: Senator Isadore Hall, III

Staff Contact: Art Terzakis, (916) 651-1530

ISSUE

California's "tied-house" laws regulate the relationship between alcohol manufacturers, distributors and retailers. These laws are meant to regulate how liquor is marketed, and to prevent the vertical integration of the three tiers of the alcohol industry.

In recent years, there have been an increased number of individuals in the entertainment industry that have also developed a business interest in restaurants or entertainment venue. Current law however prohibits an individual who has an interest in a restaurant or entertainment venue from using their established 'celebrity' status to serve in a promotional capacity for an alcoholic beverage manufacturer.

SOLUTION

SB 1426 would permit an alcohol manufacturer to compensate and retain the services of a spokesperson that also has an ownership interest in a retail license (restaurant, entertainment venue, etc.). This measure also contains protections to ensure that the promotional activity does not occur on the retail premise or influence retail decisions.

SUPPORT

Diageo